



INTEGRATION JOINT BOARD

Date of Meeting	3 February 2026
Report Title	Q3 – 2025 / 2026 Financial Performance; and Indicative results for year end 2025 / 2026
Report Number	HSCP.26.002
Lead Officer	Fiona Mitchelhill Chief Officer, ACHSCP
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Consultation Checklist Completed	No
Directions Required	No
Exempt	No
Appendices	None
Terms of Reference	The IJB shall consider the any other matter that the Chief Officer determines appropriate to report to the IJB (clause 1c); <i>and</i> Remit and Responsibilities duly noted under “Financials” (clause 15 – 19)

1. Purpose of the Report

- 1.1. To provide an indicative status / forecast / outturn of the Integration Joint Board’s year-end financial performance for fiscal year 2025 – 2026 following the release of Q3 figures from the partners;
- 1.2. To present the financial performance of the Integration Joint Board (IJB) for the nine (9) months period Q3 – 2025/2026, i.e., April – December; and



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- 1.3. To update on:
- a.) Existing activities that further guarantee financial sustainability governance of the IJB; and
 - b.) Public consultation of budget 2026 – 2027’s savings targets impact.

2. Recommendations

- 2.1. It is recommended that the Integration Joint Board (IJB) notes the following:
- a) The indicative financial performance of the IJB for the fiscal period 2025 / 2026;
 - b) The financial performance of the IJB in Q3 – 2025/2026 (i.e., 9 months period) in relation to the updated 2025-2026 funding availability;
 - c) The update on on-going digitalisation work in regards to the administration of client care requirements and the role it plays in tracking the management of IJB’s financial performance and position;
 - d) The status of the audit recommendations coming from Audit Scotland’s Annual Audit Report following their FY 2024 – 2025 annual audit.

3. Strategic Plan Context

Financial management for the IJB across financial years is critical and the performance in the current year will underpin the planning for the next financial year. With a forecast budget gap in FY 2026 – 2027 the IJB has undertaken public consultation, and this reached its deadline on 14th December 2025. The results are still under review. Please refer to the table below reiterating the public consultation topics and the target savings for FY 2026 – 2027:

Item	Public Consultation Query impacting Strategic Plan	Targeted savings (£million)
A	Contracts review	2.50
B	Reduction of care home provision due to changing demands (KWCH)	2.00
B1	Reduction of care home provision due to changing demands (BCH)	1.00
C	Raising eligibility criteria	1.00
D	Reduction of support to unpaid carers	0.50
E	Social work out-of-hours review	0.25
F	Review and redesign of Learning Disability supported living placements	0.40
G	Leave Foresterhill Health Centre	0.23



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H	Cease the community-led Health Improvement Fund	0.20 ¹
I	Reduction / Ceasing of Carers Strategy Improvement Fund	0.15
J	Leave Middlefield Hub	0.10
K	Increase of waiting times for Allied Health	0.10
L	Reduction of phone response to non-emergency service receptions	0.08
M	End of transport contract for patients attending Horizon Rehabilitation Centre	0.03 ²

Total savings potential subjected to public consultation as per above is £8.54million. This forms part of the earlier assessed savings target for FY 2026 – 2027 amounting to £16.85million.

The IJB recognises the need to balance delivery of the strategic plan with the challenging aspect of funding limitation, hence, the submission of the above to public consultation. Preliminary results indicate that items C and D have more impact on people and their families. Removing these savings options reduces the extent to which the IJB will be able to balance the budget. The Senior Leadership Team continue to work on identifying where expenditure can be saved.

Further considerations of the above will be expounded during the MTFF presentations in the IJB Committee sessions coming in due course. The budget scenario for 2026 – 2027 is an evolving subject and is being worked on following the Scottish Budget, announced 13 January 2026.

4. Summary of Key Information

4.1. The funding contribution / allocation from each of the partners up to Q3 – 2025 / 2026 is as follows:

INCOME	ACC £'000	NHSG £'000	TOTAL
Funding commitments 2025-2026	(137,197)	(255,207)	(392,404)
Set Asides	(1,771)	(59,238)	(61,009)
eNIC	(303)	(929)	(1,232)
Additional contribution	(4,200)	(6,709)	(10,909)
TOTAL INCOME	(143,471)	(322,083)	(465,554)

The increase are applicable to the following:

¹ Rounded off from £0.197m

² Rounded off from £0.045m, later on adjusted to £0.033m



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Item	Nature of additional funding	Amount £'000
A	Safe to Invest Digital Innovation – Social Care	1.239
B	City Vaccinations (Tranche 2 actual receipt)	1.138
C	Long Covid (Tranche 2)	0.245

4.2. There is therefore an improvement in the performance of the IJB as can be seen in the table below.

However, due focus is given to the following cost pressures which are carried over from Q2:

- a.) Across various Service Lines: Staffing issues - ranging from absence factors such as role covers for permanent staff who are currently on leave or are off ill, to cost uplifts, the percentage of which are finalised from government later than the budget finalisation stage.
- b.) Across various Service Lines: Commissioning costs increase resulting from revised contractual rates from suppliers and amended care package costs of clients. In addition, there is an influx of new Care Package Line Items (CPLI) within Q3.
- c.) Primary Care Prescribing: Increased prescription rates running along with increased volume of prescription requirements. Though there had been an improvement in how the cost is managed within Q3, there is still an indicative overspend at the end of the year.
- d.) Community Health Services: Increased nursing costs brought about by out of area client placements.
- e.) Learning Disabilities and Mental Health: Transition costs for children moving into adult care brought about by the assessment timings not aligning with the budget finalisation timeframe.

PARTICULARS	TOTAL £'000		
	Forecast Y/E 25-26	Annual Budget	Forecast vs Budget
PROJECTED GROSS EXPENDITURES COST OF SERVICES FY 25-26 (Following review of Q3 performance)			
Criminal Justice	281	172	109
Adult Social Care Directorate	1,703	2,093	(390)
Learning Disabilities	53,414	47,847	5,567
Mental Health & Subs Misuse	35,202	32,880	2,322
Adult Svcs OP & Physical Dis	107,121	112,972	(5,851)
Strategy & Transformation	3,406	3,628	(221)
Transformation Projects	985	1,048	(63)
Housing (Set Aside)	1,771	1,771	-
Community Health Services	50,695	50,084	611
Aberdeen City share of Hosted Services (health)	34,162	35,781	(1,619)
Primary Care Prescribing	47,023	44,503	2,520
Primary Care	60,748	62,064	(1,316)
Out of Area Treatments	3,516	2,750	766
Set aside Budget	59,238	59,238	-
City Vaccinations	2,320	2,634	(314)
Uplift Funding	2,837	6,090	(3,253)
TOTAL GROSS EXPENDITURES / COST OF SERVICES	464,423	465,554	(1,131)



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4.3. Q3 – 2025 / 2026 Costs of Services highlight the points noted in clause 4.2.

PARTICULARS AS AT Q3 - 2025 / 2026	ACTUALS up to Q3 £'000	BUDGET up to Q3 £'000	Q3 ACTUALS vs Q3 BUDGET
Criminal Justice	(374)	129	(503)
Adult Social Care Directorate	1,698	1,570	128
Learning Disabilities	41,902	35,885	6,017
Mental Health & Subs Misuse	26,551	24,658	1,893
Adult Svcs OP & Physical Dis	81,193	84,729	(3,536)
Strategy & Transformation	2,609	2,720	(112)
Transformation Projects	807	786	21
Housing (Set Aside)	-	-	-
Community Health Services	37,662	37,541	121
Aberdeen City share of Hosted Services (health)	25,783	26,811	(1,028)
Primary Care Prescribing	34,838	33,847	991
Primary Care	45,110	46,550	(1,440)
Out of Area Treatments	2,439	2,079	360
Set aside Budget	44,429	44,429	-
City Vaccinations	1,755	1,976	(221)
Uplift Funding	-	3,216	(3,216)
TOTAL GROSS EXPENDITURES / COST OF SERVICES	346,401	346,925	(524)

4.4. Provider contracts review, Client care management, Systems and Database update and the impact on financial sustainability reporting:

- a) The extensive systems work via MS Dynamics 365 (aka "D365")³ is still being carried out to monitor the IJB clients':
 - i. Care requirements;
 - ii. Care package status in reference to their health status;
 - iii. Care contribution as per relevant policy on either residential or non-residential care; and
 - iv. Care costs further linked up with selected / defined care providers that then steers on-going provider contract reviews.
- b) In conjunction with the work on D365, the systems work on ContrOCC⁴ is being aligned to deliver:
 - i. Client Financial assessments resulting from point 4.4.a.iii above
 - ii. The Assessment Team's workload management with a view to move on to Online Financial Assessments
 - iii. Processing for:
 - Care providers' payments
 - Client Care contributions' invoicing

³ D365 is used as Care Client Relationship Management system (replacing CareFirst's IAS functionality, i.e., Integrated Assessment System, encompassing both Adult and Children Social Work. Data shared here will touch mainly on Adult Social Work.

⁴ [ContrOCC](#) is used as the comprehensive Social Care Finance system. As in the case of D365, only matters pertaining to Adult Social work are noted here.



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- iv. Provider Portal allowing for the central management of all provider invoices linked to clients' care requirements assessments.
- v. Interface with the Council⁵'s main financial management reporting system, currently EFINANCIALS.

To give a flavour on the level of data dash boarded from work that had been carried out so far, a "scoping" perspective is being shared here.

Power BI as a Data Analytics Platform had been used to summarise data currently inputted in D365 and ContrOCC (hereinafter referred to as the "Social Care Systems"). Further data additions are being considered dependent on current information available from these Social Care Systems.

As examples:

Power BI data on number of total CPLs (Total Care Packages) showing all Client Groups.

⁵ The Social Care Systems noted here, along with Efinancials, are MIS used by the Aberdeen City Council. Consideration will have to be added on the MIS used by NHSG to warrant financial data reporting and processing.



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All Current CPLIs
 This page shows all Adult CPLIs that are currently active and authorised. There are some clients with a Client Group of 'Child and Family' or 'Children with Disabilities' but have an adult contract/service.

No. CPLI (groups)	Count of Client	Count of CPLI
1	2433	2433
2 - 4	1083	2088
5 +	38	204
Total	3554	4725

Service Group Class	Count of Client ID	Count of CPLI
Care at Home	1369	1544
Day Care	373	421
Direct Payments	130	346
Housing Support	352	355
Nursing Care	890	956
Residential Care	402	465
Supported Living	257	638
Total	3554	4725

Client Group	Count of Client ID	Count of CPLI
Alcohol Dependency	21	22
Children with Disabilities	1	1
Drug Dependency	6	6
Elderly Client 65+	1489	1671
Elderly Client 65+ with Dementia	788	859
Learning Disabilities	658	1287
Mental Health	389	514
No Client Group	5	5
Physical / Sensory Impairment	257	360
Total	3554	4725

Client Group

- Select all
- Alcohol Dependency
- Children with Disabilities
- Drug Dependency
- Elderly Client 65+
- Elderly Client 65+ with Dementia
- Learning Disabilities
- Mental Health
- No Client Group
- Physical / Sensory Impairment

A “filtered” option showing the total CPLIs showing only the Client Group “Elderly Client 65+”:

All Current CPLIs
 This page shows all Adult CPLIs that are currently active and authorised. There are some clients with a Client Group of 'Child and Family' or 'Children with Disabilities' but have an adult contract/service.

No. CPLI (groups)	Count of Client	Count of CPLI
1	1040	1040
2 - 4	446	615
5 +	3	16
Total	1489	1671

Service Group Class	Count of Client ID	Count of CPLI
Care at Home	933	1019
Day Care	22	23
Direct Payments	19	44
Housing Support	49	49
Nursing Care	347	369
Residential Care	138	143
Supported Living	10	24
Total	1489	1671

Client Group	Count of Client ID	Count of CPLI
Elderly Client 65+	1489	1671
Total	1489	1671

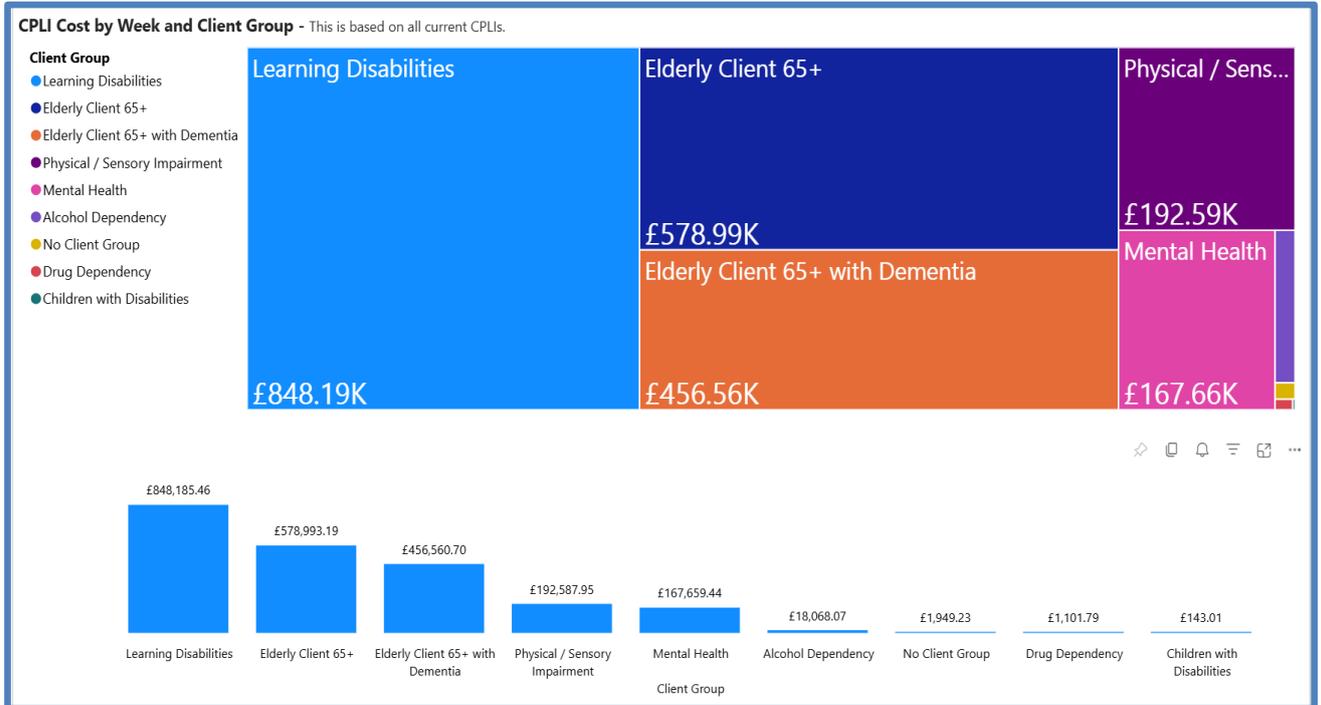
Client Group

- Select all
- Alcohol Dependency
- Children with Disabilities
- Drug Dependency
- Elderly Client 65+
- Elderly Client 65+ with Dementia
- Learning Disabilities
- Mental Health
- No Client Group
- Physical / Sensory Impairment



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A visual dashboard of all the Client Groups with the total costs by week of their CPLIs:



Cost per week covered by Service Providers for the Elderly Clients 65+:

Pages: 2.2 Glossary, 3. Budget 2026 Res, 4. Budget 2026 Non-Res, 5. Budget 2026 ALL, 6. Total CPLIs on System, 7. Total CPLIs cont., 8. Residential Client Costs, 9. Non-Residential Client Costs, 10. Service Providers, 11. All Active Contracts, 12. Active Contracts Filter

File Export Share Explore Monitor

Not all Organisations have a Parent Organisation. To drill down, click on the table and use the arrows to show all Service Providers. The table shows all CPLIs that are currently active and authorised. The cost shown is based on the current pricing

Client Group
Elderly Client 65+

Cost Centre Code
All

Cost Centre
All

ParentOrganisationName	No. of CPLI	No. of Client	Sum of Weekly Cost
Granite Care Consortium Limited	703	618	£113,814.01
Renaissance Care (Scotland) Ltd	96	87	£81,923.47
Bon Accord Care Ltd	300	293	£41,706.52
Barchester Healthcare Limited	34	34	£32,123.70
Vsa Outreach Service	47	46	£16,974.62
Hc One Ltd	19	17	£16,150.36
Living Ambitions Ltd	8	3	£8,171.95
Four Seasons Health Care	6	6	£5,492.00
Pepperwood Care (Management) Limited	7	6	£5,386.08
Blackwood Homes And Care	3	3	£4,396.35
My Care (Grampian) Limited	18	17	£4,317.14
Leonard Cheshire Disability (Hq)	5	2	£4,007.37
Archway (Respite Care And Housing) Ltd	2	2	£3,028.04
Ashley House	3	3	£2,650.44
Crossreach	5	5	£2,532.76
Community Integrated Care Limited	5	2	£2,521.24
Aberdeenshire Council	1	1	£1,835.49
Internal Service Provider	3	3	£960.38
O&C Investments Limited	2	2	£738.30
Richmond Fellowship Scotland Head Office	1	1	£461.60
Trinity Craighall LLP	1	1	£369.15
Turning Point Scotland	3	3	£292.00
Create	3	2	£135.02
Hc One - Hamewith Lodge Nursing Home	2	2	£65.30
Total	1671	1489	£578,993.19



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- 4.5.** The KPMG Diagnostics Report following the Level 4 escalation of NHS Grampian has since been published on NHSG' website on the 9th of October 2025⁶. Periodic checks and follow through between NHSG and IJB have been put in place to monitor and assess the IJB's:
- Financial performance and forecast
 - Financial recovery objectives and activities
- 4.6.** In cognisance of the FY 2024 / 2025 Annual Audit Report⁷ by Audit Scotland:
- Comprehensive handover / induction coverage being prepared for the incoming IJB Deputy CFO
 - IJB Financial model review to best assess its forecasting and reporting to then be the basis of its Social Care Systems, the latter being the source for the IJB's main financial reporting management system⁸ which ultimately provides real-time financial management data.

5. Implications for IJB

5.1. Equalities, Fairer Scotland and Health Inequality

There are no implications arising from the recommendations in this report.

5.2. Financial

- The financial implications are contained within this report. Pending the results of the public consultation, there should be an alignment exercise of cost savings planned to care demands from the public.
- Every organisation must manage the risks inherent in the operation of large and complex budgets. These risks are minimised by the regular review of financial information by budget holders and collectively by the IJB and the Risk, Audit & Performance Committee. This report is part of that framework and has been produced to provide an overview of the current financial operating position.

⁶ [KPMG Diagnostics Report](#)

⁷ [2024 – 2025 Annual Auditors Report](#)

⁸ Currently Efinancials for both ACC and NHSG. Feeder MIS (e.g., Social Care Systems) may differ amongst the partners and how the interface process works.



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5.3. Workforce

As noted in the Strategic Plan Context section, on-going work is being carried out to align all financial reporting works with the Strategic Plan and any workforce / staffing plans are duly noted.

5.4. Legal

There are no direct legal implications arising from this report.

5.5. Unpaid Carers

Following the strategic context section of this report, on-going review of the public consultation results' savings targets' objectives will be covered by the IJB Strategy Team in reference to its strategic deliverables.

5.6. Information Governance

There are no direct information governance implications arising from the recommendations of this report.

5.7. Environmental Impacts

There are no direct environmental implications arising from the recommendations of this report.

5.8. Sustainability

There are no direct sustainability implications arising from the recommendations of this report.

5.9. Other

There are no other direct implications arising from the recommendations of this report.